



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

December 30, 2009

Michael Marek, Owner/President  
Q.P.E. Technical Institute  
1557 N. Gemini Place  
Anaheim, CA 92801

Dear Mr. Marek:

**RE: MONITORING VISIT REPORT for Q.P.E. Technical Institute – ET08-0412**

<b>Date of the Visit:</b>	12/10/09
<b>Beginning/Ending Time:</b>	10:30 a.m. – 12:30 p.m.
<b>Date of Last Visit:</b>	5/07/09
<b>Visit Location:</b>	Anaheim
<b>Persons in attendance:</b>	Michael Marek, Owner, QPE; Kris Marek, Director, QPE; and Krista Campion, Contract Analyst, Employment Training Panel
<b>Action Required:</b>	No

## CONTRACT INFORMATION

<b>Term of Agreement:</b>	4/07/08 – 4/06/2010	<b>Agreement Amount:</b>	\$419,188
<b>Training Start Date:</b>	4/07/08	<b>No. to Retain:</b>	222
<b>Date Training must be Completed:</b>	1/06/2010	<b>Range of Hours:</b>	24 – 200
<b>Type of Trainee:</b>	MEC Retrainee	<b>Weighted Ave. Hours:</b>	Jobs 1 & 2 – 72 Job 3 – 104

***ACTION ITEMS REMAINING FROM THE PRIOR VISIT:***

*None*

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## **FINAL REPORT SUMMARY**

- **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 5/20/08. Training commenced on this project on 4/07/08 and Ms. Marek confirmed that the last day of ETP training was 11/26/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – 4/06/2010.

During the term of the Agreement, ETP processed one Technical Correction which added Advanced Technology to Job 2, and also processed one Agreement Modification which redistributed the number of trainees between Job Numbers 1 and 3.

- **INTERVIEW WITH THE SIGNATORY, MICHAEL MAREK, PRESIDENT OF QPE TECHNICAL INSTITUTE**

This Multiple Employer Contract (MEC) training project was designed to provide customized retraining for 222 retrainees in manufacturing technology in a variety of industries including aerospace, aircraft, computer technology, medical fields and electronics. There were a total of 16 participating employers in this Agreement who were all manufacturers.

You reported that this training project benefited the participating employers by providing customized, CNC and CAD/CAM training for employees that upgraded the job skills of workers. Trainees increased their job competencies in CNC, programming, dimensional inspection and CAD/CAM. As a result, participating employers became more efficient and more productive. You also reported that due to the downturn in the economy, some participating employers experienced layoffs and work reductions during the summer and fall of 2009.

As a result, QPE was unable to complete training and the 90-day retention period for the total 222 specified retrainees (see projected earnings below).

## **PROJECT STATUS PROVIDED BY THE CONTRACTOR**

<b>Trainees Started Training:</b>	110	<b>Completed Training:</b>	91
<b>Trainees Enrolled:</b>	110	<b>Completed Retention:</b>	86
<b>Dropped Following Enrollment:</b>	19	<b>In Retention Period:</b>	5
<b>No. Completed Minimum Reimbursable Hours:</b>	91		

**PROJECTED EARNINGS / NUMBER TO RETAIN**

You confirmed that 91 retrainees (41 percent of planned trainees) have completed the minimum number of hours to qualify for reimbursement, which is consistent with the information in the ETP class/lab tracking system. The per trainee reimbursement for class/lab training is based on the total actual number of training hours completed for each trainee, provided the minimum (24) and no more than the maximum (200) class/lab training hours are completed, and all other Agreement terms and conditions are met.

The following are project statistics by Job Number gleaned from the ETP class/lab tracking system and from discussions with Ms. Marek during the visit:

Job Number - #Specified To Retain	Number of Retrainees In Tracking System	Range of Training Hours Completed	Projected Number to be Retained
Job 1 – 42 (Priority Retrainee)	13	44 – 152	13
Job 2 – 30 (Priority Small Business Retrainee)	17	64 – 200	17
Job 3 – 150 (Priority Retrainee)	61	32 – 200	61
<b>Total - 222</b>	<b>91</b>	<b>32 – 200</b>	<b>91</b>

The 91 retrainees referenced above have completed a grand total of 9,680 hours of class/lab and AT training. This equates to a potential reimbursement, of \$246,136 assuming that all Agreement performance requirements are met. This amount is approximately 59 percent of the Agreement amount. To date, QPE Technical Institute has been reimbursed a total of \$214,142 in progress payments, of which \$79,929 is considered *earned*.

**ATTENDANCE ROSTERS**

Attendance Rosters reviewed:	3 Trainees covering 4/27/09 – 10/27/09	Rosters reviewed contained all the required information per Title 22, California Code of Regulations, Section 4442.	YES
Information contained in rosters reviewed was consistent with the hours reported on-line?			YES

*Note: The Analyst discovered two data-entry errors in the class/lab tracking system which has no net impact on reimbursement amounts.*

### **CLOSEOUT INVOICE**

Ms. Campion advised Ms. Marek that the closeout invoice should be submitted to the ETP Fiscal Unit in Sacramento no later than 30 days after the end term date of the Agreement or 5/06/10.

### **AUDIT**

You are advised that QPE Technical Institute will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

### **RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information in this letter, please contact Ms. Campion at 619-686-1917, or at [kcampion@etp.ca.gov](mailto:kcampion@etp.ca.gov), within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Regional Office

A handwritten signature in black ink that reads "Krista Campion". The signature is written in a cursive, flowing style.

Krista Campion, Contract Analyst  
San Diego Regional Office

cc: Kulbir Mayall, ETP Fiscal manager  
Master File  
Project File  
Final Report File